

EXHIBIT C

Libby Community Advisory Group Meeting Summary September 14, 2006

Introductions

Gerald Mueller and members of the Libby Community Advisory Group (CAG) introduced themselves. A list of the members in attendance is attached below as Appendix 1.

Agenda

The CAG agreed to the following agenda for this meeting:

- \$ Agency Reports
 - S EPA
 - S State
 - S TAG
 - S CARD
 - S LAMP
- \$ Public Comment

The report anticipated for this meeting on auto immune system research by University of Montana researchers was postponed until a future meeting.

EPA Report

Mike Cirian and Paul Peronard reported for EPA on the following topics.

Cleanups - During this year, 152 properties have been cleaned. The cumulative total cleaned to date is 730 properties. The goal for this year is 215 cleanups.

Export Plant Cleanup - The water line has been laid and is awaiting a pressure test before it is buried. At the August CAG meeting, a member of the audience requested copies of a final restoration plan and the document used to note the formal transfer of control of this property from W.R. Grace to the City of Libby. A copy of a disk containing all of the cleanup related documents in EPA's possession was provided to the person making the request.

Screening Plant - The trench for a water line has been dug. Stones containing asbestos were found and removed.

Operation and Maintenance Working Group - The group is working together towards implementing the Environmental Resource Specialist position.

Staff Changes - Peggy Churchill is being transferred to another cleanup, the Gilt Edge Mine in South Dakota. Today is her last day in Libby. She will be replaced by Fran Costanzi.

Highway 37 - EPA was also asked at the August CAG meeting for a report on the source of the asbestos contamination of Highway 37. Brian Goodman with the Montana Department of Transportation (MDT) has been contacted, and he has agreed to discuss at a future CAG meeting

the history of the road reconstruction and the source of materials that were used in it. A MDT contractor, Maxim Engineering, has conducted sampling along the highway, but the results are not complete. The sampling data will be presented to the CAG when it is available.

Replacement Sod - EPA was also asked at the August CAG meeting to report on the status of the replacement sod for the cleanup of the Thompson and Billadeau residence. Mike Cirian visited this property along with the sod contractor. The sod is taking hold in most places in the yard. The top soil was thinner than 6" around trees. This is normal because removing too much soil around trees risks killing them. A chain link fence was repaired on this property and additional rock will be placed on the driveway and it will be regraded. The property owner is now satisfied.

Sullivan Property - This past week, EPA also received a call about contamination discovered on the Sullivan property. The material was sampled and found to contain asbestos. To provide a temporary fix, it was covered first with 6 mill poly plastic and then with a fabric. EPA will revisit this site and remove the contaminated material at a later date.

Audience Member Comment - I discovered this contamination after rototilling a portion of my yard. I crossed the area about five times and dust was flying. Since my property had been cleaned, I didn't suspect that I had a problem until it rained and washed away the dust, and I could see vermiculite sparkling. I appreciate the prompt effort of EPA to address the contamination. I urge homeowners to obtain the cleanup records for their property. I got mine and discovered that the entire yard was not cleaned. In the past we have had to file Freedom of Information Act (FOIA) requests to get these reports, but if you have a concern, it is worth getting the records.

Response - If you want your records, please stop by the EPA Information Center and ask for them. They will be given to you without the formality of filing a FOIA request.

Audience Member Comment - This is our future. Ten years from now we will be finding contamination in our yards. As a community, we need to decide how we are going to address this.

Response - It is time to get a program in place to address contamination that people run into on properties already cleaned and on properties awaiting cleanup. We need the ERS position sooner rather than later. We are considering using a temporary federal position or a state or county position for the ERS.

Audience Member Question - This problem is not just with soils. Contractors are running into contamination such as pipe wrap insulation. What triggers the state asbestos regulations?

Answer - There is generally a quantity such as 1% by weight of asbestos and an amount of material, such as so many linear feet of friable pipe wrap. The state regulations apply for contractors removing asbestos contaminated materials; they do not apply to homeowners unless they transport the materials. The regulations require sampling, notification, double bagging, and transportation of the contamination to an approved landfill. I will ask DEQ's John Podolinsky about the details of the state program for the next CAG meeting.

Audience Member Comment - The standards have been written for chrysotile asbestos. I assume that we all agree that Libby amphibole is more toxic.

Response - You should handle any amount of Libby amphibole as if it is bad for you.

Audience Member Question - Will you define non-detect and trace amounts of asbestos?

Answer - The answer is a function of the analytical technique used to determine the concentration. The technique we now use is polarized light microscopy visual evaluation or PLMVE. For this technique, concentrations greater than or equal to 0.2% by weight are reported quantitatively. Concentrations less than 0.2% are reported as "trace." When the analyst cannot see any asbestos fibers, the report is "non-detect." The NIOSH 9002 standard is different. It does not quantify an amount less than 1% by weight. Less than 1% is designated "trace," and again no fibers detected is "non-detect."

Audience Member Comment - A trace amount could contain billions of fibers.

Response - You could have a significant exposure risk at trace levels.

Audience Member Comment - Some people perceive that "non-detect" means safe; that is not necessarily the case.

Response - That is correct. You could have a situation involving an area with high physical activity and exposure potential in which "non-detect" would not be safe.

Audience Member Comment - We learned in Denver that the PLMVE technique has been thoroughly tested. This information needs to be shared with the Libby community.

Audience Member Comment - People's homes are their most valuable possessions. The cleanup of homes and soils is disturbing for them. The TAG is apparently not the venue for people with concerns about cleanups. Very few homeowners attend CAG meetings. EPA needs to do a better job of reaching out to homeowners.

Response - EPA needs to make an effort to get more people educated. I'm not sure that the TAG is the best vehicle for such education, and attendance at CAG meetings is down. It is hard to get people with strong views together.

Audience Member Question - I will commit to forming an association of impacted homeowners in Libby. This will allow people whose homes have been cleaned to talk as neighbors to those who haven't. Will you support an environmental justice grant for us to help fund a homeowners' association and pay for expenses such as a newsletter?

Answer - I think the idea you are proposing is a good one. I am happy to write a letter supporting an environmental justice grant application, but I am not sure this is the best approach. EPA will provide information to a homeowners' association without a grant.

CAG Member Comment - The cleanup was initially a hot item in the community. Now, however, people feel that the TAG and the CAG are taking care of things which is why attendance from the public is down.

Audience Member Comment - I believe apathy is the source of the problem.

Audience Member Comment - We need to get people together to talk about what our town will look like ten years from now when the EPA cleanup is finished.

CAG Member Comment - Federal rules provide that the TAG cannot be an advocate. We have invited people to TAG meetings to voice complaints and concerns about the cleanup and asked EPA how it will respond to them. We cannot, however, become an advocate for those with problems with EPA.

Response - This correct. The TAG is not allowed to become an advocate. Its job is to review scientific issues involving health, the risk assessment, and analytical techniques and provide education to the community. About 95% of the complaints EPA receives are about restorations at properties undergoing cleanups. We need a forum such as a homeowners association and the CAG to address them.

Audience Member Comment - I was told that EPA would pay for support groups.

Response - I am not aware that EPA has funding for support groups.

Audience Member Comment - I have samples in these jars of contaminated materials recently dug up on my property from areas that had been sampled and found to have only "trace" or "non-detect" amounts.

Response - I have stated repeatedly that EPA cannot promise that Libby will be free of asbestos fibers after the cleanup. Areas such as the screening and export plant will have fibers when the subsurface is disturbed. That is why we need the long-term O&M plan and process. We clean these sites at the surface and to depths to which people are expected to work. In the case of the export plant site, we excavated to depths of 3 to 12 feet depending on how the owner intended to use the property.

Audience Member Comment - We have been off our property at the export plant site for 7 years. Some 185,000 cubic yards of material was excavated to depths of up to 12 feet, but contaminated material is still being found.

Response - The last five years of work involved restoration. We have returned on five occasions to support infrastructure work such as laying water and drain fields and installing electric lines. We have tried to work with you based on what you want.

Audience Member Comment - It has been a difficult five years for us. We asked that the back fill be both common and agricultural fill because of our intended land use. The agricultural fill would not percolate and had to be dug up and replaced.

Audience Member Comment - Recent excavations uncovered large rocks that did not meet the fill specifications. These rocks came from the bluffs and contained asbestos.

Response by Facilitator - The presence of the rocks and their source and possible contamination is a significant issue that should be addressed by EPA and the landowner, but we will not spend more time about it in this meeting.

Audience Member Question - How much was paid to Lambert for the recent cleanup of the mine side of the export plant site property?

Answer - I will find out.

Audience Member Comment - I was encouraged to hear Catherine LeCours say at the August CAG meeting that it was not the intent of the state to have property owners bear the cost of

cleaning up contamination discovered after the EPA cleanup is concluded. I have asked, however, that a socio-economic analysis be conducted to see how much Libby people can afford to pay of future cleanup costs. Some people cannot afford to hire contractors to sample and conduct cleanup work.

Response - I estimate that the 30-year cost of the O&M program will be \$25 - 30 million, and we need to find a source for that funding.

Comment by Clinton Maynard - I have been a member of the CAG, but my freedom to speak my mind on that body was restricted. I therefore resign from the CAG and will participate from now on as an audience member.

Audience Member Comment - I want the Living with Vermiculite brochure pulled because it promotes a lackadaisical attitude toward the asbestos contamination.

Response - We are aware that you believe that the brochure understates the risk posed by vermiculite. People will come in contact with it in their homes either before or after the cleanups. The brochure attempts to provide them information about options. One is to leave the contamination alone. Another is to hire a contractor to clean it up. A third is for the homeowners to cleanup the material themselves.

Audience Member Comment - I have a suggestion. We should ask three people to work together to redraft the brochure and bring it back to the CAG. I propose that the three people include Dr. Henningsen from the TAG, Clinton Maynard, and someone from EPA.

Response by LeRoy Thom - On behalf of the TAG, we will ask Dr. Henningsen to participate.

Response by Dr. Aubry Miller - I will participate on behalf of EPA.

Response by Clinton Maynard - I am not sure that one month will be enough time, but I will participate.

CAG Action - CAG members present agreed unanimously to this proposal including the three people just mentioned, Dr. Henningsen, Dr. Miller, and Clinton Maynard.

Audience Member Question - Instead of using the word asbestos, please use "Libby amphibole asbestos" unless you mean chrysotile asbestos.

Response - I agree with the point you are making. However, I probably will not remember to say Libby amphibole asbestos each time. Please assume that when I say asbestos, I mean Libby amphibole asbestos. I will specify other forms of asbestos if I am not talking about Libby amphibole asbestos.

Audience Member Question - Is tremolite the same thing as Libby amphibole asbestos?

Answer - No. Libby amphibole contains several mineral forms in addition to tremolite such as winchite and richterite.

Draft Sampling and Analysis Plan for Outdoor Ambient Air Monitoring - This draft plan is available at the EPA Information Center. We discussed this plan at the TAG and are soliciting public comments on it.

Stimson Mill Site - This past Tuesday and Wednesday we met with representatives of HUD and

the local economic development group to discuss redevelopment of this site. We intend to start sampling at this site by the end of the month.

Audience Member Question - Have air quality samples taken by the county been sampled for asbestos?

Answer - The County did make measurements of PM-10 particulate in the air. However the samples were collected and maintained in such a way that they could not be assayed for asbestos.

LAMP Report

LeRoy Thom reported on behalf of the Libby Asbestos Medical Plan (LAMP) about its expenditures during the last three years. In 2004, LAMP spent \$170,020, or \$14,168 per month. In 2005 expenditures were \$495,652, or \$41,304 per month. Through June 30 of this year, LAMP has spent \$401,592, or \$66,932 per month. Total expenditures for all three years as of June 30, 2006 was \$1,031,262. Over this period, the program earned \$53,408 in interest, corresponding to a rate of 5.46%

Audience Member Question - How much money is left?

Answer - Just under \$2 million.

Audience Member Question - At a future meeting, could you break down expenditures by prescriptions, office visits, hospital, and home health care costs?

Answer - I will do so. Most of the expenditures have paid for screening and medical costs not born by the W.R. Grace Medical Plan.

CARD Report

Mike Giesey reported on behalf of the Center for Asbestos Related Disease (CARD). CARD recently had two distinguished visitors, Dr. David Schwartz, head of the National Institute of Environmental Health Sciences (NIEHS) and the National Toxicology Program, and Dr. Howard Frumkin, Director of the Agency for Toxic Disease Registry (ATSDR). CARD has reformed its scientific research advisory group, the Committee for Asbestos Related Research, and reduced it to six members. The new group will help establish a new 501(c)(3) organization to provide a research center separate from the CARD.

Audience Member Question - Can you give us an update on the medical trust?

Answer by LeRoy Thom - We have requested an amount of funds for the trust from W.R. Grace, but we have not received a response.

Audience Member Question - How much did you request?

Answer by LeRoy Thom - Because we are in negotiations with W.R. Grace, we have agreed not to make the amount public.

Audience Member Question - When HHS Secretary Leavitt visited Libby, did you give him a copy of the letter written to his predecessor Secretary Thompson requesting a declaration of a public health emergency?

Answer by Mike Giesey - No, but we discussed this subject with him. I should note that shortly after Secretary Leavitt's visit, the Social Security Administration allowed coverage of Libby

amphibole asbestos disease. Secretary Leavitt was also helpful in arranging for Dr. Schwartz and Frumkin's visit to Libby.

TAG Report

Because of the lateness of the hour, no TAG report was made.

Public Comment

There was no additional public comment.

Next Meeting

The next meeting is scheduled for 7:00 to 9:00 p.m. on October 12, 2006 in the Ponderosa Room of Libby City Hall.

Appendix 1 CAG Member & Guest Attendance List September 14, 2006

Members

David Latham
KW Maki
Mike Gieseey
Ken Hays
Ted Linnert
Mike Cirian
Paul Peronard
LeRoy Thom
Gayla Benefield
Eileen Carney

Group/Organization Represented

The Montanian Newspaper
Libby Schools
CARD
Senior Citizens
EPA-Denver
EPA
EPA Project Manager
LAMP
LCAVRO/TAG
MT State Board of Respiratory Care Therapists